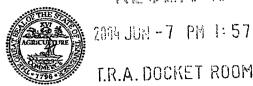
STATE OF TENNESSEE

Office of the Attorney General



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June 07, 2004

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TELEPHONE 615-741-3491 FACSIMILE 615-741-2009

Honorable Deborah Taylor Tate Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243

RE:

UNITED CITIES GAS COMPANY, a Division of ATMOS

ENERGY CORPORATION, INCENTIVE PLAN ACCOUNT

(IPA) AUDIT

Docket No.: 01-00704

Dear Chairman Tate:

Enclosed is an original and thirteen copies of a Motion To Set An Evidentiary Hearing On The Merits by the Consumer Advocate and Protection Division of the Office of the Attorney General. Kindly file the attached in this docket By copy of this letter, we are serving all parties of record. If you have any questions, please feel free to contact me at (615) 741-8700. Thank you.

Russell T. Perkins

uncexely,

Deputy Attorney General

Enclosures

cc:

All Parties of Record

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT NASHVILLE, TENNESSEE

IN RE: UNITED CITIES GAS COMPANY, a Division of ATMOS ENERGY CORPORATION, INCENTIVE PLAN ACCOUNT (IPA) AUDIT)))	DOCKET NO. 01-00704	
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THE CONSUMER ADVOCATE'S MOTION TO SET AN EVIDENTIARY HEARING ON THE MERITS

The Consumer Advocate Division hereby moves this Agency to issue a notice under Rule 1220-1-2-.14(2), Rules of Tennessee Regulatory Authority, setting this case for an evidentiary hearing on the merits and to set a procedural schedule requiring pre-filed testimony and expedited discovery. In setting this hearing on the merits, the Hearing Officer may either deny or reserve ruling on the summary judgment motion of the Staff and Atmos seeking judgment on a proposed "settlement" which would have the effect of involuntarily dismissing the Consumer Advocate's complaints in this consolidated case.

On June 8, 2004, the Consumer Advocate will participate, under protest, in an evidentiary hearing to decide the proponents' joint motion for approval of the settlement, which the CAD submits is, in substance, a motion for summary judgment. The nature of the motion and the

¹The uncertainty and confusion about the nature of the June 8, 2004, hearing, expressed as recently as the status conference on June 2, 2004, clearly indicates that there has not been ten days notice of a hearing on the merits under this Rule. The June 8 hearing, therefore, cannot possibly be an evidentiary hearing on the merits — contrary to the assertions of the Staff and Atmos in recent filings.

limited nature of the proceedings leading up to the hearing, moreover, strongly suggest that the June 8, 2004 hearing should be non-evidentiary.

Respectfully submitted,

RUSSELL T. PERKINS

B.P.R. No. 10282

Deputy Attorney General

Office of the Attorney General

Consumer Advocate and Protection Division

(615) 741-1376

CERTIFICATE OF SERVICE

I hereby certify that on June _______, 2004, a true and exact copy of the foregoing document has been mailed, first class U S. postage prepaid, and faxed to the following:

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